OPERATIONS BUSINESS TEAM
August 17, 2001 (DRAFT)

	OPPORTUNITY CATEGORY	TOPICS	DECISIONS / ACTIONS / ISSUES	STATUS / COMPLETION DATES	NEXT OBT REVIEW DATE	RESPONSIBLE PERSON(S)
1	Costs & Cash Flow	Discretionary Funding of External Scientific Activities - Discussion of Policy	*Recipients of requests should 1) Obtain a decision from their department / function head as to whether or not the requested funding would help PM USA fulfill its mission; 2) Send copy of all requests to Corporate Affairs (attach copy of 501(c)(3) and/or 501(c)(4) certificate); 3) Develop a list of organizations to support and support requests from listed organizations.*	*Discussion held regarding administration of discretionary funding of external scientific and other activities not falling under established PM USA or corporate funding protocols.*	*DONE*	R. Solana
2	Costs & Cash Flow	Operations Measures	*For Salaried Attrition Rate decided to add transfers out back into data. Will potentially utilize projected R&D positive variance by attempting to accelerate certain forecasted 2002 R&D spending into 2001.*	*Operations Measures reviewed including Product Quality, Call Center Abandonment Rate, Hourly Employee Attrition Rate, Salaried Employee Attrition Rate, Total Output Per Day, Average Hourly Work Week, Factory 12-Houring Vs. Absenteeism & LOA, Modules Down for No Manning, Overtime Size Groups, Finished Goods Inventory, Month Ending Finished Goods Inventory and Customer Service Level. Financial measures reviewed including Variable Cost Per Thousand, Fixed Manufacturing Spending, Capital Spending and R&D Spending.*	*DONE*	H. Burnley
3	Costs & Cash Flow	QUARTERLY - Review of Open Capital Projects		*Review conducted.*	*DONE*	M. Saine
4	Costs & Cash Flow	*Strategic Plan Review*	*OBT to review documents in detail with Strategic Planners. Finalized version of Proposed Operations 2002 Strategic Plan to be reviewed at 9/5/01 OBT meeting.*	*Documents reconciling the Homestead Key Initiatives with the 2001 Strategic Plan reviewed and distributed.*	*DONE*	H. Burnley
5	Costs & Cash Flow	Symphony Release Plan	*Presented release plan agreed to. Proposed next steps agreed to as follows: 1) Complete resource allocation plan and cost and benefit estimates; 2) Incorporate results into IS strategy and plan; 3) Communicate release plan approach to the organization; 4) Obtain OBT commitment to make resources available 4th Qtr. 2001; 5) Partner with Leaf to develop strategic Leaf IT plan by 10/01; 6) Obtain active OBT sponsorship for rapid 650 approval; 7) Finalize SAP R2 strategy – current version support expires 12/02. D. Riegel to give next update at 10/15/01 OBT meeting.*	*Presentation made reviewing Symphony objectives, requesting OBT agreement with recommended release plan, reviewing alignment of program objectives with OBT Game Plan priorities and requesting agreement on next steps.*	*DONE*	*D. Riegel*
6	Organizational Capability	HR Policy & Compliance	*Next update to be scheduled in March 2002 when Affirmative Action plans are complete Will schedule quarterly updates thereafter.*	*Presentation made focusing on HR Policy & Compliance roles, services provided, Affirmative Action / EEO planning and impact of current regulatory requirements.*	*DONE*	K. Benner

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7	*Organizational Capability*	*Round Table Discussion - Organizational Comfort With Discussing Product and Potential Harm Reduction*	*Will revisit this topic during round table discussion at the 9/5/01 OBT meeting.*	*Discussion held regarding the question, "Do people in our organization feel comfortable talking about our product and reduced harm and how we can continue our reduced harm effort?".*	*DONE*	*D. Beran*
8	Organizational Capability	SHARP Project Update	*By 8/31/01project team and and representatives designated by OBT members will: 1) Identify, confirm and approve organization units and cost centers; 2) Review proposal for PM USA Job Catalog and determine jobs for functional areas. Agreed that between 9/17/01 and 10/15/01 we will freeze major organizational changes.*	*Update given delivering overview of SHARP and overview of SAP Organizational Management. Roll out related support for SHARP requested from the OBT. SHARP go live currently scheduled 10/15/01.*	*DONE*	K. Benner
9	Costs & Cash Flow	Manufacturing Optimization Strategy - Business Case Update		K. Kriva, P. Longest, S. Hunter, D. G. Johnson and J. Gomes to give updates on business cases for Existing Equipment Strategy, Filter Making Reconfiguration, Material Handling, Manufacturing System Infrastructure and MC Infrastructure Upgrades respectively. Time: 2 hr.	TBD	C. Schwartz & G. Ruth
10	Organizational Capability	PMECF Update		T. Hanson, C. Comes and H. Crapol to give update. Time: 1 hr.	TBD	T. Hanson
11	**Compliance**	**Video for Contractors on Company Policies**		**D. Merrill to present video. Time: 30 min.**	9/5/01	*D. Milby*
12	**Costs & Cash Flow**	**2002 OB - Communication of Targets**		**S. Mitchell to make presentation. Time: 1 hr.**	9/5/01	M. Saine
13	**Costs & Cash Flow**	**Knowledge Management in DM Purchasing**		**F. Sherwood to make presentation. Time: 45 min.**	9/5/01	H. Burnley
14	**Costs & Cash Flow**	**MONTHLY - Operations Budget Update for July**		**S. Mitchell to give update. Time: 30 min.**	9/5/01	M. Saine
15	**Costs & Cash Flow**	**Operations Measures**		***D. Weber & S. Mitchell to give update. Time: 20 min.***	9/5/01	H. Burnley
16	**Costs & Cash Flow**	**Production Plan Update**		**R. Kelly to make presentation. Time: 30 min.**	9/5/01	H. Burnley
17	**Costs & Cash Flow**	***Strategic Plan Review***		***H. Burnley to facilitate review of proposed 2002 Operations Strategic Plan. Time: 1 hr.***	*9/5/01*	H. Burnley
18	**Organizational Capability**	**Accountabilities for Training**		**C. Schwartz to lead discussion. Time: 30 min.**	9/5/01	C. Schwartz
19	***Organizational Capability***	***Round Table Discussion - Organizational Comfort With Discussing Product and Potential Harm Reduction***		***Round table discussion to be continued regarding the question, "Do people in our organization feel comfortable talking about our product and reduced harm and how we can continue our reduced harm effort?".***	*9/5/01*	*D. Beran*

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20	**Organizational Capability**	**Salaried Hiring Strategies**		***S. Scofield & P. Faust to make presentation. Time: 45 min.***	9/5/01	K. Benner
21	**Quality System Implementation**	**Preview of 3rd Quarter 2001 Management Review**		**J. Carboni & P. Grantham to make presentation. Time: 45 min.**	9/5/01	J. Carboni
22	Costs & Cash Flow	2002 OB Preliminary Budget Review		Entire meeting devoted to this topic. S. Mitchell to facilitate.	9/28/01	M. Saine
23	Compliance	Semi-Annual Update on Sanitation		D. Chadick to give update. Time: 30 min.	10/15/01	J. Lewis
24	Consumer Connections	Contact Center Optimization - Business Case Approval		P. Grantham to make presentation.	10/15/01	J. Carboni
25	*Consumer Connections*	*Menthol On Foil - Validate Decision to Implement*		*K. Newman to make presentation. Time: 30 min.*	*10/15/01*	*H. Alonso*
26	Costs & Cash Flow	MONTHLY - Operations Budget Update for August & September		S. Mitchell to give update. Time: 30 min.	10/15/01	M. Saine
27	Costs & Cash Flow	Operations Measures		*D. Weber & S. Mitchell to give update. Time: 20 min.*	10/15/01	H. Burnley
28	Costs & Cash Flow	Production Plan Update		R. Kelly to make presentation. Time: 30 min.	10/15/01	H. Burnley
29	Costs & Cash Flow	Review of Annual OBT Planning Meeting for OBT Reports		Facilitator TBD	10/15/01	H. Burnley
30	Costs & Cash Flow	Summary of Strategic Plan Activity for 3rd Quarter 2001		Presenter TBD	10/15/01	H. Burnley
31	*Costs & Cash Flow*	*Symphony Release Plan*		*D. Riegel to give update.*	*10/15/01*	*D. Riegel*
32	Consumer Connections	Auto ID Center - Preview of Next Board Meeting (11/11/01)		R. Sweeney to make presentation. Time: 20 min.	11/9/01	H. Alonso
33	Costs & Cash Flow	Strategic Plan Review			11/9/01	H. Burnley
34	Costs & Cash Flow	MONTHLY - Operations Budget Update for October		S. Mitchell to give update. Time: 30 min.	11/19/01	M. Saine
35	Costs & Cash Flow	Operations Measures		*D. Weber & S. Mitchell to give update. Time: 20 min.*	11/19/01	H. Burnley
36	Costs & Cash Flow	Production Plan Update		R. Kelly to make presentation. Time: 30 min.	11/19/01	H. Burnley

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37	Costs & Cash Flow	Strategic Plan Review - Leaf Procurement & Processing and Materials Procurement		Facilitator TBD. Time: 1 hr. 30 min.	11/19/01	H. Burnley
38	Organizational Capability	Technical Ladder Review		D. Donaher to facilitate review. Time. 40 min.	11/19/01	H. Alonso
39	Quality System Implementation	Preview of 4th Quarter 2001 Management Review		J. Carboni & P. Grantham to make presentation. Time: 45 min.	11/19/01	J. Carboni
40	Costs & Cash Flow	Final 2002 OB Review		S. Mitchell to make presentation. Time: 1 hr.	12/10/01	M. Saine
41	Costs & Cash Flow	MONTHLY - Operations Budget Update for November		S. Mitchell to give update. Time: 30 min.	12/10/01	M. Saine
42	Costs & Cash Flow	Operations Measures		*D. Weber & S. Mitchell to give update. Time: 20 min.*	12/10/01	H. Burnley
43	Costs & Cash Flow	Perforation Optimization - Decision Whether to Outsource		L. Nardell to make presentation.	12/10/01	H. Long
44	Costs & Cash Flow	Production Plan Update		R. Kelly to make presentation. Time: 30 min.	12/10/01	H. Burnley
45	Costs & Cash Flow	QUARTERLY - Review of Open Capital Projects		R. Sarmento to give presentation. Time: 30 min.	12/10/01	M. Saine
46	Costs & Cash Flow	Strategic Plan Review - Product & Blend		Facilitator TBD. Time: 1 hr. 30 min.	12/10/01	H. Burnley
47	*Organizational Capability*	*HR Policy & Compliance - Quarterly Update*		*N. R. Jackson to give update. Time: 30 min.*	*03/02*	*K. Benner*

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